

ITEM NO. CA1

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: December 14, 2021**

REGULAR CONSENT EFFECTIVE DATE January 1, 2022

DATE: November 16, 2021

TO: Public Utility Commission

FROM: Kathy Zarate

THROUGH: Bryan Conway, John Crider, and Matt Muldoon **SIGNED**

SUBJECT: PORTLAND GENERAL ELECTRIC:
(Docket No. ADV 1336/Advice No 21-34)
Schedule 115-Oregon Low-Income Assistance.

STAFF RECOMMENDATION:

Staff recommends the Commission approve Portland General Electric's Company (PGE or Company) Advice No. 21-34, revising Schedule 115 in compliance with the 2021 House Bill 2739 (HB 2739),¹ effective with service on and after January 1, 2022.

DISCUSSION:

Issue

Whether the Commission should approve PGE's proposed revision to its Schedule 115 tariff sheet that reflects the effect of HB 2739 that temporarily increased funding for Low-Income Bill Payment Assistance.

Applicable Law

Under ORS 757.205(1):

Every public utility shall file with the Public Utility Commission, within a time to be fixed by the commission, schedules, which shall be open to public inspection, showing all rates, tolls and charges which it has established and which are in force at the time for any service performed

¹ See OR Laws 2021 Chapter 536.

by it within the state, or for any service in connection therewith or performed by any public utility controlled or operated by it.

The Commission may approve tariff changes if they are deemed fair, just, and reasonable. ORS 757.210.

Tariff revisions may be made by filing revised sheets with the information required under the Commission's administrative rules, including OAR 860-022-0025.

OAR 860-022-0025(2) specifically requires that each energy utility changing existing tariffs or schedules must include in its filing a statement plainly indicating the increase, decrease, or other changes made with the filing, the number of customers affected by the proposed change and the resulting change in annual revenue; and, the reasons or grounds relied upon in support of the proposed change.

Filings that propose any change in rates, tolls, charges, rules, or regulations must be filed with the Commission at least 30 days before the effective date of the change. ORS 757.220; OAR 860-022-0015.

Analysis

On November 9, 2021, PGE filed revised tariff sheets through Docket No. ADV 1336 (Advice No. 21-34). The revision was necessary to revise language and the rate to reflect temporarily increased funding amounts for Low-Income Bill Payment Assistance authorized by HB 2739, which takes effect January 1, 2022. In order to comply with HB 2739, PGE Schedule 115 rates are required to collect a forecasted amount of \$18,590,492 in 2022.² This legislation increases for two years the aggregate funding amount for Low Income Bill Payment assistance to \$30 million per year. Currently, electric utilities collect \$20 million from customers for low-income bill payment assistance as described in ORS 757.612(7)(b).

The tariff charges all customers, including Direct Service Industries (DSIs), as this is a charge levied for the purpose of supporting low-income customers. Charging all customers is appropriate, as it is unreasonable to have in place a low-income support charge that could be avoided solely by choosing direct access.

PGE's portion of the \$10 million statewide increase is approximately \$6 million, annually. PGE estimates that approximately 920,600 Retail Customers will be impacted by this 0.29 percent increase to forecasted revenues for 2022. A typical Residential

² See PGE Advice No. 21-34 Work-Papers.

Customer consuming 780 kWh monthly will see a bill increase of \$0.35, or 0.33 percent. There is a cap on the per kWh charge to ensure that no customer pays an amount greater than \$500 per month, under HB 2739, Section 2(1)(c). Thus, for a typical Schedule 7 residential customer, the updated schedule includes the following:

The applicable Adjustment Rates are listed below. As specified in House Bills 2134 and 2739, Customers will not be required to pay more than \$500 per month per Site for low-income bill payment assistance.

The rates for the tariff are displayed in the table below.³

| Applicable Schedule | Adjustment Rate |
|---------------------------------------|---|
| 7 | \$ 1.04 per month |
| All other Schedules Including DSIs | \$ 0.00104 per kWh For the first 480,700 kWh |

Multiplying the rate of \$0.00104 by 480,700 yields the \$500 limit.

Staff also reviewed the proposed housekeeping changes in PGE's filing and finds the revised language appropriate.

In addition, Staff issued four information requests (IR) to confirm that the PGE forecasted collection amount is accurate, including reviewing how PGE implements its per-site cap of \$500 per month. The specified rates are correctly calculated.

Conclusion

After reviewing House Bill 2739 and PGE's proposed revisions to Schedule 115, Staff concludes that the proposed tariff complies with the legislation that increases Low-Income Bill Payment support for two years at an aggregate amount of \$10 million per year, with PGE's portion of that increase being approximately \$6 million.

PROPOSED COMMISSION MOTION:

Approve Portland General Electric's Advice No. 21-34, revising Schedule 115 in compliance with the 2021 HB 2739, effective for service on or after January 1, 2022.

³ See the Initial filing in Advice No. 21-34.